ODP 81-136
30 January 1981

MEMORANDUM FOR: Chief, Management Staff, DDA

FROM: Bruce T. Johnson
                 Director of Data Processing

SUBJECT: Impact of Hiring Freeze on MZ Career Service

     Attached is a staff study of the impact of an extended (at
least one year) hiring freeze on the MZ Career Service. The
study concludes that such a freeze will delay the IOC of SAFE,
cause ODP to use increased overtime for data transcription and
computer operations, reduce the number of rotational positions
ODP can fill, and result in increased backlogs of computer
applications to be developed. The study recommends that ODP and
the MZ Career Sub-Group be exempted from the hiring freeze.

                         Bruce T. Johnson

STAT

Att: a/s

PROBLEM

1. Can the Office of Data Processing (ODP) continue to function effectively during a continued hiring freeze?

FACTORS BEARING ON THE PROBLEM

2. Facts:

a. ODP operates one of the most sophisticated computer networks in the federal government with a highly trained staff of data processing professional, technical, and clerical employees.

b. ODP has an authorized office strength of [____] full-time staff employees with a current on-duty strength of [____]   25X1

c. ODP also has approximately 48 part-time contract (mostly clerical) employees authorized, with a current on-duty strength of 42 part-time employees and 23 college student-trainees (about 1/2 working, the rest in school).

d. The MZ Career Sub-Group also staffs 30 data processing positions outside of ODP, bringing the total number of positions to be filled by MZ careerists to [____]   25X1
The current strength of the MZ Career Sub-Group is [____]

e. OPPPM records the MZ Career Sub-Group losses for FY-80 as 15 professionals, 7 technicals, and 5 clericals. This was offset by gains of 18 professionals, 2 technicals, and 9 clericals for a net gain of 2.

f. OPPPM records the MZ Career Sub-Group EOD's for FY 1978-80 as 29 professionals, 5 technicals, and 10 clericals, bringing the MZ on-duty strength up from [____] at the close of   25X1
FY-77 to [____] at the close of FY-80, a gain of 11.
25X1

g. The demand for data processing personnel has never been greater, both in and outside the government, nor has the demand for the development of computer applications and services. Within ODP this has been evidenced by the addition in CY-80 of 12 rotational positions for the MZ to fill and an Applications development backlog of [____] workyears.   25X1

h. For the SAFE System (which is to provide direct, interactive computer support to intelligence analysts) to meet an initial operating capability (IOC) in December 1982, at least [____] trained and experienced computer operators will   25X1
be needed to man the SAFE Center. Since testing begins earlier that year, recruitment for these operators must begin now if clearance and training are to be accomplished.

i.   The current program throughout the Agency, particularly in the DDA administrative functions, to respond to increased demands for services without increasing the work force or budget, relies heavily on automation and computer services.

j.   Recent labor force studies indicate that data processing personnel, especially professionals, are in short supply, resulting in fierce industry competition for highly skilled personnel. One estimate is that there is less than one programmer for each computer currently in service.

k.   A major source of entry level data processing professionals for ODP is college student-trainees who convert to staff employees after graduation. Of the 23 student-trainees currently under contract, 3 EOD in CY-77, 2 in CY-78, 7 in CY-79, 8 in CY-80, and 3 in CY-81. During CY-80, 5 student-trainees were converted to staff employees and ODP plans to convert a like number in 1981.

3.   Assumptions:

a.   The demand for data processing personnel will continue to grow but the supply will not increase to meet the increased demand. Therefore, competition for highly qualified data processing personnel will become more difficult, even under normal recruiting conditions.

b.   A continued hiring freeze in the federal government will be interpreted by highly mobile data processing personnel as a lack of career potential in the federal government. Inability to hire results in inhibitions on movement of personnel into new positions within the Agency where professional challenge is perceived to be greater. Therefore, highly skilled government data processing personnel will be tempted to leave the government to seek opportunity. Attrition rates will rise.

c.   The demand for data processing personnel and services will continue to grow in the Agency. Host components will continue to ask ODP to provide computer-trained personnel to fill new positions established to bring data processing skills closer to users.

DISCUSSION

4.   The CIA has become so heavily dependent upon its computers to carry out essential intelligence collection, analysis, and production activities, as well as administrative functions, that the CIA Executive Committee reviews and approves the allocation of this critical resource among competing Agency requirements. Even in this well managed environment, legitimate demands for computer services and personnel continues to grow in the Agency.

2

5.   To meet the demand for services, ODP management in recent years has developed an aggressive recruiting and career development program to supply the Agency with exceptionally well qualified data processing personnel. This program depends upon four major sources of data processing personnel:

    a.   Student-trainees who convert to professional staff after graduation.

    b.   Experienced senior data processing professionals to staff major new programs like SAFE and to replace senior professionals who fill new rotational positions.

    c.   Part-time clerical and technical data processing personnel to supplement full-time computer operations and support personnel, and to convert to full-time staff replacements for losses.

    d.   Full- and part-time data transcribers to enter critical time-sensitive data and to replace transcribers who move to other positions in the Agency.

6.   Normal annual losses for the MZ during the past 3 years have been 16 professionals, 7 technicials, and 7 clericals. This is an attrition rate of 7.5%, which means that current attrition in Agency data processing personnel, especially professionals, is low compared to industry standards. This is due mainly to the challenging nature of the Agency's data processing applications and the sophisticated and highly advanced network of computers available to Agency personnel. No one can predict with great accuracy what impact a continued hiring freeze will have on this attrition rate. But since 89 MZ employees have less than 3 years Agency service, Agency and federal policies which they perceive to have adverse impact on their career opportunities may prompt them to leave the federal service.

7.   An examination of the MZ Career Sub-Group's gains and losses in recent years (see Facts) indicate that approximately 4 employees must be entered on duty to result in a net strength gain of 1. Since ODP is currently 5 under strength, approximately 20 MZ employees must EOD for ODP to reach full strength by year end.

8.   ODP's greatest need for personnel recruitment during the coming year, assuming no losses, will be data transcribers and computer operators. Failure to EOD this category of employees means that ODP will have to increase the use of overtime in the short term to provide essential data processing services, and that in the long term ODP will not be able to man the SAFE Center at IOC.

3

9.   The use of contractor personnel to offset personnel losses does not appear to be a reasonable alternative because of the uncertainty in predicting where the losses will occur and how long the freeze may last. If we knew with certainty the category and degree of data processing service that would be needed over the next 2 to 4 years because of unnattenuated personnel losses resulting from the freeze, the normal contracting lead time coupled with the normal lead time for contractor personnel security clearances would prevent the Agency from compensating for the losses in less than 2 years.

CONCLUSION

10.   A hiring freeze on MZ personnel that lasts for one year will have the following effects on the Agency;

a.   A delay in SAFE IOC because of a lack of trained computer operators.

b.   A probable loss of 30 or more MZ personnel which will in turn result in:

1)   A dramatic increase in overtime to provide data transcription and computer operations services to support critical financial activities.

2)   A reduction in capacity to fill MZ rotational positions.

3)   An increase in the number of backlogged Applications work requests.

ACTION RECOMMENDED

11.   Exempt data processing personnel from the application of the hiring freeze in the Agency to avoid disruption and delays in central data processing services essential to the mission of the Agency.

Approved For Release 2006/04/17 : CIA-RDP84B00890R000500110070-6